STATEMENT OF BASIS

Alabama Municipal Electric Authority

Sylacauga, Alabama Talladega County 309-0057

This proposed renewal to the Title V Major Source Operating Permit is issued under the provisions of ADEM Admin. Code r. 335-3-16. The above-referenced applicant has applied to renew the existing Title V Permit, which was originally issued on June 12, 2006. The applicant has requested authorization to perform the work or operate the facility shown on the application and drawings, plans and other documents, which were submitted on November 30, 2010 and December 14, 2010 and are attached hereto or on file with the Air Division of the Alabama Department of Environmental Management, in accordance with the terms and conditions of this permit.

The Alabama Municipal Electric Authority (AMEA) located in Sylacauga, Alabama, is a power production facility that consists of two (2) natural gas fired simple cycle combustion turbines, each generating approximately 50 megawatts (MW) of electric power for distribution.

AMEA was issued its existing Major Source Operating Permit (MSOP) on June 12, 2006, with an expiration date of June 11, 2011. Per ADEM Rule 335-3-16-.12(2), an application for permit renewal shall be submitted at least six (6) months, but not more than eighteen (18) months, before the date of expiration of the permit. Based on this rule, the application for renewal was due to the Department no later than January 11, 2011, but no earlier than January 11, 2010. An application for permit renewal was received by the Department on November 30, 2010. Additional information deemed necessary for processing this MSOP was received on December 14, 2010.

The significant sources of air pollutants at this facility are the following:

 Two (2) 50 MW Simple Cycle Natural Gas Fired Combustion Turbines with Water Injection

Two (2) 50 MW Simple Cycle Natural Gas Fired Combustion Turbines with Water Injection

The simple cycle combustion turbine units may fire only pipeline quality natural gas. These units utilize water injection to control nitrogen oxides emissions generated from the combustion of natural gas.

This facility is a synthetic minor source with respect to the Prevention of Significant Deterioration (PSD) Program. The combustion turbines are also subject to the Federal New Source Performance Standards (NSPS) contained in 40 CFR Part 60, Subpart GG. The simple cycle combustion turbine units are also subject to the Acid Rain Program and the Clean Air Interstate Rule (CAIR) Program. Each simple cycle combustion turbine unit's expected emissions and the associated standards are listed below.

Emission Standards

Opacity:

 Visible Emissions from each simple cycle combustion turbine stack shall not exceed 20% opacity, as determined by a six (6) minute average. (ADEM Admin. Code r. 335-3-4-.01)

Sulfur Dioxide (SO₂):

- Each unit shall not discharge into the atmosphere any gases which contain sulfur dioxide in excess of 0.015% by volume at 15% oxygen and on a dry basis or shall burn in any stationary gas turbine any fuel which contains total sulfur in excess of 0.8% by weight (8000 ppmw). (40 CFR Part 60, Subpart GG)
- The simple cycle combustion turbine units are subject to the Acid Rain Regulations. These units are not allocated SO₂ allowances under Phase II of the Acid Rain Program. (ADEM Admin. Code r. 335-3-18-.01 and 40 CFR Part 73) These units shall hold sufficient allowances in the unit account to cover annual SO₂ emissions.

Nitrogen Oxides (NO_x):

- The nitrogen oxides emissions shall be limited to 25 ppmvd at 15% O₂ and 42.0 lb/hr. (ADEM Admin. Code r. 335-3-14-.04) Anti-PSD
- Nitrogen Oxides emissions from each simple cycle combustion turbine are limited to ≤75 ppmv corrected to 15% O₂ on a dry basis adjusted for heat rate and fuel bound nitrogen (rolling 4-hour averages). (40 CFR Part 60, Subpart GG)

Carbon Monoxide (CO):

 Carbon Monoxide emissions from each simple cycle combustion turbine stack shall not exceed 55.0 lb/hr. (ADEM Admin. Code r. 335-3-14-.04) Anti-PSD

Operational:

 The operation of each combustion turbine shall not exceed 4,545 hours in any consecutive 12-month period. (ADEM Admin. Code r. 335-3-14-.04) Anti-PSD

Expected Emissions

Particulate Matter (PM) and Opacity:

 Significant particulate matter emissions are not expected from the simple cycle combustion turbine units. These units fire only natural gas and therefore, visible emissions standards are not expected to be exceeded.

Sulfur Dioxide (SO₂):

Natural gas is the only fuel utilized by these units. The sulfur content
of natural gas should be much lower that the limit required by 40 CFR
60 Subpart GG.

Nitrogen Oxides (NO_x):

 The most recent emission source tests, conducted in August 2009, provided emission rates of 39.10 lb/hr for Turbine 1, and 29.37 lb/hr for Turbine 2.

Carbon Monoxide (CO):

• The most recent emission source tests, conducted in October 2009, provided emission rates of 31.98 lb/hr for Turbine 1, and 31.98 lb/hr for Turbine 2.

Volatile Organic Compounds (VOC):

• Significant volatile organic compounds emissions are not ecpected from the simple cycle combustion turbine units.

Periodic Monitoring and Compliance Assurance Monitoring (CAM)

Particulate Matter (PM) and Opacity:

 Based on the low expected levels of emissions as compared to the regulatory allowable emission limits, periodic monitoring of opacity and particulate matter emissions is not considered necessary.

Sulfur Dioxide (SO₂):

 Records documenting that the maximum sulfur content of the natural gas burned in these sources shall be maintained in accordance with §60. 334, of Subpart GG.

Nitrogen Oxides (NO_x):

 Based on 40 CFR §64.2, the only pollutant subject to CAM would be NO_x since it is the only pollutant which is controlled by an active control device (water injection) and the potential uncontrolled emission rate being greater than 100 tons per year. AMEA will continue to implement its existing CAM plan, which is detailed in the Title V renewal application and the draft permit.

Carbon Monoxide (CO) and Volatile Organic Compounds (VOC):

 Based on the results of the emission source testing and the expected continued levels of emissions as compared to the regulatory allowable emission limits, no periodic monitoring of VOC and CO emissions is considered necessary.

Adam G. Crocker Energy Branch Air Division

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May 4, 2011

Date





MAJOR SOURCE OPERATING PERMIT

Permitee: Alabama Municipal Electric Authority

Facility Name: Alabama Municipal Electric Authority

Facility No.: 309-0057

Location: Sylacauga, Talladega County, Alabama

In accordance with and subject to the provisions of the Alabama Air Pollution Control Act of 1971, as amended, <u>Ala. Code</u> 1975, §§22-28-1 to 22-28-23 (2006 Rplc. Vol.) (the "AAPCA") and the Alabama Environmental Management Act, as amended, <u>Ala. Code</u> 1975, §§22-22A-1 to 22-22A-15, (2006 Rplc. Vol.) and rules and regulations adopted thereunder, and subject further to the conditions set forth in this permit, the Permittee is hereby authorized to construct, install and use the equipment, device or other article described above.

Pursuant to the Clean Air Act of 1990, all conditions of this permit are federally enforceable by EPA, the Alabama Department of Environmental Management, and citizens in general. Those provisions which are not required under the Clean Air Act of 1990 are considered to be state permit provisions and are not federally enforceable by EPA and citizens in general. Those provisions are contained in separate sections of this permit.

Issuance Date: DRAFT

Expiration Date:

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CAIR PERMIT (ANNUAL AND OZONE SEASON)	ATTACHED

Fed	lerally Enforceable Provisos	Regulations
1.	Transfer	
	This permit is not transferable, whether by operation of law or otherwise, either from one location to another, from one piece of equipment to another, or from one person to another, except as provided in Rule 335-3-1613(1)(a)5.	Rule 335-3-1602(6)
2.	Renewals	
	An application for permit renewal shall be submitted at least six (6) months, but not more than eighteen (18) months, before the date of expiration of this permit.	Rule 335-3-1612(2)
	The source for which this permit is issued shall lose its right to operate upon the expiration of this permit unless a timely and complete renewal application has been submitted within the time constraints listed in the previous paragraph.	
3.	Severability Clause	
1.	The provisions of this permit are declared to be severable and if any section, paragraph, subparagraph, subdivision, clause, or phrase of this permit shall be adjudged to be invalid or unconstitutional by any court of competent jurisdiction, the judgment shall not affect, impair, or invalidate the remainder of this permit, but shall be confined in its operation to the section, paragraph, subparagraph, subdivision, clause, or phrase of this permit that shall be directly involved in the controversy in which such judgment shall have been rendered. Compliance	Rule 335-3-1605(e)
	(a) The permittee shall comply with all conditions of ADEM Admin. Code 335-3. Noncompliance with this permit will constitute a violation of the Clean Air Act of 1990 and ADEM Admin. Code 335-3 and may result in an enforcement action; including but not limited to, permit termination, revocation and reissuance, or modification; or denial of a permit renewal application by the permittee.	Rule 335-3-1605(f)

Fed	erally Enforceable Provisos	Regulations
<u> </u>	(b) The permittee shall not use as a defense in an enforcement action that maintaining compliance with conditions of this permit would have required halting or reducing the permitted activity.	Rule 335-3-1605(g)
5.	Termination for Cause	
	This permit may be modified, revoked, reopened, and reissued, or terminated for cause. The filing of a request by the permittee for a permit modification, revocation and reissuance, or termination, or of a notification of planned changes or anticipated noncompliance will not stay any permit condition.	
6.	Property Rights	-
	The issuance of this permit does not convey any property rights of any sort, or any exclusive privilege.	Rule 335-3-1605(i)
7.	Submission of Information	
	The permittee must submit to the Department, within 30 days or for such other reasonable time as the Department may set, any information that the Department may request in writing to determine whether cause exists for modifying, revoking and reissuing, or terminating this permit or to determine compliance with this permit. Upon receiving a specific request, the permittee shall also furnish to the Department copies of records required to be kept by this permit.	Rule 335-3-1605(j)
8.	Economic Incentives, Marketable Permits, and Emissions Trading	
	No permit revision shall be required, under any approved economic incentives, marketable permits, emissions trading and other similar programs or processes for changes that are provided for in this permit.	Rule 335-3-1605(k)
9.	Certification of Truth, Accuracy, and Completeness	
	Any application form, report, test data, monitoring data, or compliance certification submitted pursuant to this permit shall contain certification by a responsible official of truth, accuracy, and completeness. This certification shall state that, based on information and	Rule 335-3-1607(a)

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	and	of formed after reasonable inquiry, the statements information in the document are true, accurate complete.	
10.	Insp	ection and Entry	
	Upon presentation of credentials and other document as may be required by law, the permittee shall allo authorized representatives of the Alabama Department of Environmental Management and EPA to conduct the following:		
	(a)	Enter upon the permittee's premises where a source is located or emissions-related activity is conducted, or where records must be kept pursuant to the conditions of this permit;	
	(b)	Review and/or copy, at reasonable times, any records that must be kept pursuant to the conditions of this permit;	
	(c)	Inspect, at reasonable times, this facility's equipment (including monitoring equipment and air pollution control equipment), practices, or operations regulated or required pursuant to this permit;	
	(d)	Sample or monitor, at reasonable times, substances or parameters for the purpose of assuring compliance with this permit or other applicable requirements.	
11.	Com	pliance Provisions	
	(a)	The permittee shall continue to comply with the applicable requirements with which the company has certified that it is already in compliance.	Rule 335-3-1607(c)
	(b)	The permittee shall comply in a timely manner with applicable requirements that become effective during the term of this permit.	
12.	Com	pliance Certification	
	withi that issua	in two months of the end of the calendar quarter immediately precedes the anniversary date of ance of this permit unless more frequent periods specified according to the specific rule governing	Rule 335-3-1607(e)

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	the so	ource	or required by the Department.	
	(a)		compliance certification shall include the wing:	
		(1)	The identification of each term or condition of this permit that is the basis of the certification;	
		(2)	The compliance status;	
		(3)	The method(s) used for determining the compliance status of the source, currently and over the reporting period consistent with Rule 335-3-1605(c) (Monitoring and Recordkeeping Requirements);	
		(4)	Whether compliance has been continuous or intermittent;	*
		(5)	Such other facts as the Department may require to determine the compliance status of the source;	
	(b)	The to:	compliance certification shall be submitted	
	Alabam	M	partment of Environmental Management Air Division P.O. Box 301463 Iontgomery, AL 36130-1463 and to: and EPCRA Enforcement Branch EPA Region IV 61 Forsyth Street, SW Atlanta, GA 30303	
13.	Reop	ening	for Cause	
			of the following circumstances, this permit ened prior to the expiration of the permit:	Rule 335-3-1613(5)
	(a)	Clean perm (3) o	tional applicable requirements under the h Air Act of 1990 become applicable to the littee with a remaining permit term of three r more years. Such a reopening shall be bleted not later than eighteen (18) months promulgation of the applicable	

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	requirement. No such reopening is required if the effective date of the requirement is later than the date on which this permit is due to expire.	
(b)	Additional requirements (including excess emissions requirements) become applicable to an affected source under the acid rain program. Upon approval by the Administrator, excess emissions offset plans shall be deemed to be incorporated into this permit.	
(c)	The Department or EPA determines that this permit contains a material mistake or that inaccurate statements were made in establishing the emissions standards or other terms or conditions of this permit.	
(d)	The Administrator or the Department determines that this permit must be revised or revoked to assure compliance with the applicable requirements.	
14. <u>Add</u>	litional Rules and Regulations	·
Reg ever sha with	s permit is issued on the basis of Rules and rulations existing on the date of issuance. In the nt additional Rules and Regulations are adopted, it ll be the permit holder's responsibility to comply a such rules.	§22-28-16(d), Code of Alabama 1975, as amended
(a)	In the case of shutdown of air pollution control equipment (which operates pursuant to any permit issued by the Director) for necessary scheduled maintenance, the intent to shut down such equipment shall be reported to the Director at least twenty-four (24) hours prior to the planned shutdown, unless such shutdown is accompanied by the shutdown of the source which such equipment is intended to control. Such prior notice shall include, but is not limited to the following:	Rule 335-3-107(1), (2)
	(1) Identification of the specific facility to be taken out of service as well as its location and permit number;	

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		(2)	The expected length of time that the air pollution control equipment will be out of service;	
		(3)	The nature and quantity of emissions of air contaminants likely to occur during the shutdown period;	
		(4)	Measures such as the use of off-shift labor and equipment that will be taken to minimize the length of the shutdown period;	
		(5)	The reasons that it would be impossible or impractical to shut down the source operation during the maintenance period.	
	(b)	equipas to emiss an arfor s withi provi inclubreal	me event that there is a breakdown of oment or upset of process in such a manner of cause, or is expected to cause, increased sions of air contaminants which are above pplicable standard, the person responsible such equipment shall notify the Director in 24 hours or the next working day and de a statement giving all pertinent facts, ding the estimated duration of the adown. The Director shall be notified when breakdown has been corrected.	·
16.	Opera	ation	of Capture and Control Devices	
•	which opera emiss ensur and r	this ted at sions the mainta	tion control devices and capture systems for permit is issued shall be maintained and all times in a manner so as to minimize the of air contaminants. Procedures for at the above equipment is properly operated ained so as to minimize the emission of air ats shall be established.	Alabama 1975, as
17.	Obno	xious	Odors	
	obnox verific the deter	xious ed by odoroi minati	t is issued with the condition that, should odors arising from the plant operations be Air Division inspectors, measures to abate us emissions shall be taken upon a on by the Alabama Department of that Management that these measures are	

'ede	rally E	Enforceable Provisos	Regulations	
	techi	nically and economically feasible.		
8.	Fugitive Dust			
	(a)	Precautions shall be taken to prevent fugitive dust emanating from plant roads, grounds, stockpiles, screens, dryers, hoppers, ductwork, etc.		
	(b)	Plant or haul roads and grounds will be maintained in the following manner so that dust will not become airborne. A minimum of one, or a combination, of the following methods shall be utilized to minimize airborne dust from plant or haul roads and grounds:		
		(1) By the application of water any time the surface of the road is sufficiently dry to allow the creation of dust emissions by the act of wind or vehicular traffic;		
		(2) By reducing the speed of vehicular traffic to a point below that at which dust emissions are created;		
		 (3) By paving; (4) By the application of binders to the road surface at any time the road surface is found to allow the creation of dust emissions; 		
	fail haul emp or al not	ald one, or a combination, of the above methods to adequately reduce airborne dust from plant or roads and grounds, alternative methods shall be loyed either exclusively or in combination with one ll of the above control techniques, so that dust will become airborne. Alternative methods shall be roved by the Department prior to utilization.		
١9.	<u>Add</u>	itions and Revisions		
	mod	modifications to this source shall comply with the ification procedures in Rules 335-3-1613 or 335-514.	Rule 335-3-1613 at .14	

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20.	Reco	ordkeeping Requirements	
	(a)	Records of required monitoring informathe the source shall include the following:	ation of Rule 335-3-1605(c)2
		(1) The date, place, and time of all s or measurements;	ampling
		(2) The date analyses were performed;	
		(3) The company or entity that performanalyses;	med the
		(4) The analytical techniques or rused;	methods
		(5) The results of all analyses; and	
		(6) The operating conditions that ex the time of sampling or measurem	
	(b)	Retention of records of all required modata and support information of the sour period of at least 5 years from the dat monitoring sample, measurement, repapplication. Support information includation and maintenance records original strip-chart recordings for commonitoring instrumentation and copies reports required by the permit	rce for a e of the port, or udes all and all attinuous
21.	Rep	orting Requirements	
	(a)	Reports to the Department of any monitoring shall be submitted at least months. All instances of deviations from requirements must be clearly identified reports. All required reports must be cer a responsible official consistent with Rule 1604(9).	every 6 n permit in said rtified by
	(b)	Deviations from permit requirements reported within 48 hours or 2 working such deviations, including those attributions as defined in the permit report will include the probable cause deviations, and any corrective active.	days of utable to mit. The

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		preventive measures that were taken.		
22.	Emis	sion Testing Requirements		
	proviother accor Title	point of emission which requires testing will be ded with sampling ports, ladders, platforms, and safety equipment to facilitate testing performed in edance with procedures established by Part 60 of 40 of the Code of Federal Regulations, as the same be amended or revised.		
	days and Depa	Air Division must be notified in writing at least 10 in advance of all emission tests to be conducted submitted as proof of compliance with the artment's air pollution control rules and lations.		
	proce	woid problems concerning testing methods and edures, the following shall be included with the ication letter:		
	(1)	The date the test crew is expected to arrive, the date and time anticipated of the start of the first run, how many and which sources are to be tested, and the names of the persons and/or testing company that will conduct the tests.	Rule 335-3-104	
	(2)	A complete description of each sampling train to be used, including type of media used in determining gas stream components, type of probe lining, type of filter media, and probe cleaning method and solvent to be used (if test procedures require probe cleaning).		
	(3)	A description of the process(es) to be tested including the feed rate, any operating parameters used to control or influence the operations, and the rated capacity.		
	(4)	A sketch or sketches showing sampling point locations and their relative positions to the nearest upstream and downstream gas flow disturbances.		
	sour such	retest meeting may be held at the request of the receive owner or the Air Division. The necessity for a meeting and the required attendees will be remined on a case-by-case basis.		
	All to with:	est reports must be submitted to the Air Division in 30 days of the actual completion of the test Page 11		

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	unless an extension of time is specifically approved by the Air Division.	
23.	Payment of Emission Fees	
	Annual emission fees shall be remitted each year according to the fee schedule in ADEM Admin. Code r. 335-1-704.	Rule 335-1-704
24.	Other Reporting and Testing Requirements	
	Submission of other reports regarding monitoring records, fuel analyses, operating rates, and equipment malfunctions may be required as authorized in the Department's air pollution control rules and regulations. The Department may require emission testing at any time.	Rule 335-3-104(1)
25.	Title VI Requirements (Refrigerants)	
	Any facility having appliances or refrigeration equipment, including air conditioning equipment, which use Class I or Class II ozone-depleting substances as listed in 40 CFR Part 82, Subpart A, Appendices A and B, shall service, repair, and maintain such equipment according to the work practices, personnel certification requirements, and certified recycling and recovery equipment specified in 40 CFR Part 82, Subpart F. No person shall knowingly vent or otherwise release any Class I or Class II substance into the environment during the repair, servicing, maintenance, or disposal of any device except as provided in 40 CFR Part 82, Subpart F. The responsible official shall comply with all reporting and recordkeeping requirements of 40 CFR 82.166. Reports shall be submitted to the US EPA and the Department as required.	
26.	Chemical Accidental Prevention Provisions	
	If a chemical listed in Table 1 of 40 CFR Part 68.130 is present in a process in quantities greater than the threshold quantity listed in Table 1, then:	40 CFR Part 68
	(a) The owner or operator shall comply with the	

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		provi	sions in 40 CFR Part 68.		
	(b)	The follow	owner or operator shall submit one of the ving:		
		(1)	A compliance schedule for meeting the requirements of 40 CFR Part 68 by the date provided in 40 CFR Part 68 §68.10(a) or,		
		(2)	A certification statement that the source is in compliance with all requirements of 40 CFR Part 68, including the registration and submission of the Risk Management Plan.		
27.	Disp	lay of	<u>Permit</u>		
28.	time is is for it see i	s at th sued is nspecti t.			
29.	of arreducemit	ny devi iction ited, c aminar sion 3	shall cause or permit the installation or use ce or any means which, without resulting in in the total amount of air contaminant onceals or dilutes any emission of air air which would otherwise violate the rules and regulations.	Rule 335-3-110	
	of the not great shall of parts be defined by the following shall be defin	nis perr dischar ter tha l any s articula letermi unless	erwise specified in the Unit Specific provisos mit, any source of particulate emissions shall rge more than one 6-minute average opacity in 20% in any 60-minute period. At no time source discharge a 6-minute average opacity at emissions greater than 40%. Opacity will need by 40 CFR Part 60, Appendix A, Method otherwise specified in the Unit Specific this permit.	Rule 335-3-401(1)	

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30.	Fuel	-Burning Equipment	
	(a)	Unless otherwise specified in the Unit Specific provisos of this permit, no fuel-burning equipment may discharge particulate emissions in excess of the emissions specified in Rule 335-3-403.	Rule 335-3-403
	(b)	Unless otherwise specified in the Unit Specific provisos of this permit, no fuel-burning equipment may discharge sulfur dioxide emissions in excess of the emissions specified in Rule 335-3-501.	Rule 335-3-501
31.	Proc	ess Industries – General	
	of the	ess otherwise specified in the Unit Specific provisos his permit, no process may discharge particulate ssions in excess of the emissions specified in Rule 3-404.	Rule 335-3-404
32.	Ave	raging Time for Emission Limits	
	time be t meth		Rule 335-3-105
33.	Cond cond subj requ cont	ditions (a) through (d) that follow are general litions applicable to emissions units that are ect to the CAM requirements. Specific irements related to each emissions unit are ained in the unit specific provisos and the attached appendices.	
	a) O	peration of Approved Monitoring	40 CFR 64.7
	(1) Commencement of operation. The owner or operator shall conduct the monitoring required under this section and detailed in the unit specific provisos and CAM appendix of this permit (if required) upon issuance of the permit, or by such later date specified in the permit pursuant to §64.6(d).	
	(2	2) Proper maintenance. At all times, the owner or	

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operator shall maintain the monitoring, including but not limited to, maintaining necessary parts for routine repairs of the monitoring equipment.

- (3) Continued operation. Except for, as applicable, monitoring malfunctions, associated repairs, and required quality assurance or control activities (including, as applicable, calibration checks and required zero and span adjustments), the owner or operator shall conduct all monitoring in continuous operation (or shall collect data at all required intervals) at all times that the pollutantspecific emissions unit is operating. monitoring malfunctions, recorded during required associated repairs, and assurance or control activities shall not be used for purposes of this part, including data averages and calculations, or fulfilling a minimum data availability requirement, if applicable. The owner or operator shall use all the data collected during all other periods in assessing the operation of the control device and associated control system. A monitoring malfunction is any sudden, infrequent, not reasonably preventable failure of the monitoring to provide valid data. Monitoring failures that are caused in part by poor maintenance or careless operation are not malfunctions.
- (4) Response to excursions or exceedances. (a) Upon detecting an excursion or exceedance, the owner or operator shall restore operation of the pollutant-specific emissions unit (including the control device and associated capture system) to its normal or usual manner of operation as expeditiously as practicable in accordance with pollution control practices air minimizing emissions. The response include minimizing the period of any startup, shutdown or malfunction and taking any necessary corrective actions to restore normal operation and prevent the likely recurrence of the cause of an excursion or exceedance (other than those caused by excused startup or Such actions may shutdown conditions). inspection and evaluation. include initial recording that operations returned to normal

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without operator action (such as through response by a computerized distribution control system), or any necessary follow-up actions to return operation to within the indicator range, designated condition, or below the applicable emission limitation or standard, as applicable. (b) Determination of whether the owner or has used acceptable procedures in operator response to an excursion or exceedance will be based on information available, which may include but is not limited to, monitoring results, review of operation and maintenance procedures and records, and inspection of the control device, associated capture system, and the process.

(5) Documentation of need for improved monitoring. After approval of monitoring under this part, if the owner or operator identifies a failure to achieve compliance with an emission limitation or standard for which the approved monitoring did not provide an indication of an excursion or exceedance while providing valid data, or the results of compliance or performance testing document a need to modify the existing indicator ranges or designated conditions, the owner or operator shall promptly notify the Department necessary, submit a proposed modification to the permit to address the monitoring changes. Such necessary modification may include, but is not limited to, reestablishing indicator ranges or designated modifying the frequency conditions. conducting monitoring and collecting data, or the monitoring of additional parameters.

b) Quality Improvement Plan (QIP) Requirements

40 CFR 64.8

(1) Based on the results of a determination made 33(a)(4)(b)above. under Section Administrator or the permitting authority may require the owner or operator to develop and implement a QIP. Consistent with 40 CFR the permit may specify §64.6(c)(3), appropriate threshold, such as an accumulation of exceedances or excursions exceeding 5 pollutant-specific percent duration of а emissions unit's operating time for a reporting

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period, for requiring the implementation of a QIP. The threshold may be set at a higher or lower percent or may rely on other criteria for purposes of indicating whether a pollutant-specific emissions unit is being maintained and operated in a manner consistent with good air pollution control practices.	
(2) Elements of a QIP: (a) The owner or operator shall maintain a	
written QIP, if required, and have it available for inspection. (b) The plan initially shall include procedures for evaluating the control performance problems and, based on the results of the evaluation procedures, the owner or operator shall modify the plan to include procedures for conducting one or more of the following actions, as appropriate:	
(i) Improved preventive maintenance practices.(ii) Process operation changes.	
(iii) Appropriate improvements to control methods.	
(iv) Other steps appropriate to correct control performance.	
(v) More frequent or improved monitoring (only in conjunction with one or more steps under paragraphs (2)(b)(i) through (iv) above).	
(3) If a QIP is required, the owner or operator shall develop and implement a QIP as expeditiously as practicable and shall notify the Department if the period for completing the improvements contained in the QIP exceeds 180 days from the date on which the need to implement the QIP	

(4) Following implementation of a QIP, upon any subsequent determination pursuant to Section

was determined.

General Fermit 110visos					
Federally Enforceable Provisos	Regulations				
33(a)(4)(b) above, the Department may require that an owner or operator make reasonable changes to the QIP if the QIP is found to have: a) Failed to address the cause of the control device performance problems; or b) Failed to provide adequate procedures for correcting control device performance problems as expeditiously as practicable in accordance with good air pollution control practices for minimizing emissions. (5) Implementation of a QIP shall not excuse the owner or operator of a source from compliance with any existing emission limitation or standard, or any existing monitoring, testing, reporting or recordkeeping requirement that may apply under federal, state, or local law, or any other applicable requirements under the Act. c) Reporting and Recordkeeping Requirements (a) On and after the date specified in Section 33(a)(1) above by which the owner or operator must use monitoring that meets the requirements of this part, the owner or operator shall submit monitoring reports to the permitting authority in accordance with ADEM Admin. Code R. 335-3-1605(c)3. (b) A report for monitoring under this part shall include, at a minimum, the information required under ADEM Admin. Code R. 335-3-1605(c)3. and the following information, as applicable: (i) Summary information on the number, duration and cause (including unknown	Regulations 40 CFR 64.9				
applicable: (i) Summary information on the number,					

rally Enforceable Provisos	Regulations
calibration checks, if applicable); and	
(iii) A description of the actions taken to	
implement a QIP during the reporting	
period as specified in Section 33(b) above.	
Upon completion of a QIP, the owner or	
operator shall include in the next	A.
summary report documentation that the	
implementation of the plan has been	r
completed and reduced the likelihood of	
similar levels of excursions or	
exceedances occurring.	
Checedation of the state of the	
(2) General recordkeeping requirements.	700
(2) General recordine party requirement	
(a) The owner or operator shall comply with the	
recordkeeping requirements specified in	
ADEM Admin. Code R. 335-3-1605(c)2 The	
owner or operator shall maintain records of	
monitoring data, monitor performance data,	
corrective actions taken, any written quality	
improvement plan required pursuant to	
Section 33(b) above and any activities	
undertaken to implement a quality	
improvement plan, and other supporting	I
information required to be maintained under	
this part (such as data used to document the	
adequacy of monitoring, or records of	,
monitoring maintenance or corrective	1
actions). (b) Instead of paper records, the owner or	
operator may maintain records on alternative	
media, such as microfilm, computer files,	
magnetic tape disks, or microfiche, provided	
that the use of such alternative media allows	
for expeditious inspection and review, and	
does not conflict with other applicable	
recordkeeping requirements.	
recording requirements.	
(d) Savings Provisions	40 CFR 64.10
(1) Nothing in this part shall:	
() D	
(a) Excuse the owner or operator of a source	
from compliance with any existing emission limitation or standard, or any existing	
limitation or standard, of any existing	

monitoring, testing, reporting or recordkeeping requirement that may apply

Federally Enforceable Provisos	Regulations
under federal, state, or local law, or any other applicable requirements under the Act. The requirements of this part shall not be used to justify the approval of monitoring less stringent than the monitoring which is required under separate legal authority and are not intended to establish minimum requirements for the purpose of determining the monitoring to be imposed under separate authority under the Act, including monitoring in permits issued pursuant to title I of the Act. The purpose of this part is to require, as part of the issuance of a permit under title V of the Act, improved or new monitoring at those emissions units where monitoring requirements do not exist or are inadequate to meet the requirements of this part. (b) Restrict or abrogate the authority of the Department to impose additional or more stringent monitoring, recordkeeping, testing, or reporting requirements on any owner or operator of a source under any provision of the Act, including but not limited to sections 114(a)(1) and 504(b), or state law, as applicable. (c) Restrict or abrogate the authority of the Department to take any enforcement action under the Act for any violation of an applicable requirement or of any person to take action under section 304 of the Act.	

Summary Page for Two (2) – 50 MW GE LM6000 Natural Gas Fired Simple Cycle Combustion Turbines with Water Injection

Permitted Operating Schedule: 4,545 HRS/YR

Emission limitations:

Emission Point #	Description	Pollutant	Emission limit (per CT)	Regulation
A, B	Two (2) – 50 MW GE LM6000 Natural Gas Fired Simple Cycle Combustion Turbines with Water Injection	NOx	75 ppmvd at 15% O2 adjusted for heat rate and fuel bound nitrogen 25 ppmvd at 15% O2 & 42 lb/hr	40 CFR 60 Subpart GG ADEM Admin. Code r. 335-3-1404 (Anti-PSD
		SO ₂	0.015% by volume at 15% 0 on a dry basis or Sulfur content of fuels < 0.8% by weight	40 CFR 60 Subpart GG
		co	55.0 lb/hr	ADEM Admin. Code r. 335-3-1404 (Anti-PSD)
		Opacity	≤20%, except one 6-min. period/hr of ≤ 40%	ADEM Admin. Code r. 335-3-401(1)
		Voc	N/A	N/A
		PM	N/A	N/A

Provisos for Two (2) – 50 MW GE LM6000 Natural Gas Fired Simple Cycle Combustion Turbines with Water Injection

Fed	erally Enforceable Provisos	Regulations
App	licability	
1.	These sources are subject to the applicable requirements of ADEM Admin. Code r. 335-3-16, "Major Source Operating Permits."	Rule 335-3-16
2.	These sources have enforceable limits in place in order to prevent them from being subject to the provisions of ADEM Admin. Code r. 335-3-1404, "Air Permits Authorizing Construction in Clean Air Areas [Prevention of Significant Deterioration]."	Rule 335-3-1404
3.	These sources are subject to the applicable requirements of 40 CFR Part 64 "Compliance Assurance Monitoring" to include General Proviso 33.	40 CFR Part 64
4.	These sources are subject provisions of 40 CFR 60	Rule 335-3-1002(33)
	Subpart GG – Standards of Performance for Stationary Gas Turbines.	40 CFR 60 Subpart GG
5.	These sources are subject to the applicable requirements of Subpart A, the General Provision of 40 CFR Part 60.	Rule 335-3-1002(1)
6.	These sources are subject to the Acid Rain Rules contained in Rule 335-3-18 and 40 CFR Part 72, 73, and 75. The applicable Acid Rain Permit is contained in the Acid Rain portion of this Operating Permit.	Rule 335-3-18 and 40 CFR Parts 72, 73, and 75
7.	Where an applicable requirement of the Act is more stringent than an applicable requirement of regulations promulgated under Title IV of the Act, both provisions are incorporated as enforceable conditions of this permit.	Rule 335-3-1605(a)2
8.	These sources are subject to the applicable provisions of the Clean Air Interstate Rule found in ADEM Admin. Code r. 335-3-506 through 335-3-514 and ADEM Admin. Code r. 335-3-816 through 335-3-833	Rules 335-3-506 through 335-3-514 and Rules 335-3-816 through 335-3-833
<u>Emi</u>	ssion Standards	
1.	The nitrogen oxide emissions from each combustion turbine stack shall not exceed 25 ppmvd at 15% $\rm O_2$ and 42.0 lb/hr.	Rule 335-3-1404 (Anti-PSD)
2.	The carbon monoxide emission rate from each turbine stack shall not exceed 55.0 lb/hr.	Rule 335-3-1404 (Anti-PSD)

Fed	erally Enforceable Provisos	Regulations
3.	Visible emission from these units shall not exceed more than one 6-minute average opacity greater than 20%. At no time shall these units discharge a 6-minute average opacity of particulate emissions greater than 40%.	Rule 335-3-401
4.	Nitrogen Oxide emissions from each combustion turbine stack shall not exceed 75.0 ppmvd at 15% O ₂ with an upward adjustment for heat rate and fuel bound nitrogen.	Rule 335-3-1002(33) 40 CFR §60.332 (NSPS, Subpart GG)
5.	Sulfur dioxide emissions from each combustion turbine stack shall not exceed 0.015% by volume at 15% oxygen and on a dry basis or the sulfur content of all fuels burned in the combustion turbines shall not exceed 0.8% by weight.	Rule 335-3-1002(33) 40 CFR §60.332 (NSPS, Subpart GG)
6.	The emissions standards in Provisos 1-3 above apply at all times except during periods of startup and shutdown.	Rule 335-3-14- .03(1)(h)
7.	The combustion turbines shall only fire natural gas.	Rule 335-3-1404 (Anti-PSD)
8.	The operation of each combustion turbine shall not exceed 4,545 hours in any consecutive 12 month period.	Rule 335-3-1404 (Anti-PSD)
9.	Emissions exceeding any allowances that the source lawfully holds under Title IV of the Act or the regulations promulgated thereunder are prohibited.	Rule 335-3-1605(d)
10.	The owners and operators of each source subject to the Clean Air Interstate Rule (CAIR) shall comply with all applicable provisions of Rules 335-3-506 through 335-3-514 and Rules 335-3-816 through 335-3-833	Rules 335-3-506 through 335-3-514 and Rules 335-3-816 through 335-3-833
11.	In the absence of CAIR, the owners and operators of each affected source shall comply immediately upon the compliance date of any such rule that replaces or supplements CAIR.	General Provisos 11(b) and 14
Con	npliance and Performance Test Methods and Procedures	
1.	Compliance with the Nitrogen Oxide emissions standards shall be determined by EPA Reference Method 20 as found in Appendix A of 40 CFR 60. Alternate methods may be utilized if approved in advance by the Department.	Rule 335-3-105

Fe	derally Enforceable Provisos	Regulations
2.	Compliance with the Carbon Monoxide emissions standards shall be determined by EPA Reference Method 10 as found in Appendix A of 40 CFR 60. Alternate methods may be utilized if approved in advance by the Department.	Rule 335-3-105
3.	Compliance with the opacity standards shall be determined by EPA Reference Method 9 of Appendix A in 40 CFR Part 60.	Rule 335-3-105
<u>En</u>	nission Monitoring	
1.	40 CFR Part 64 Compliance Assurance NO_X monitoring shall be conducted in accordance with the attached appendix.	40 CFR Part 64
2.	A continuous monitoring system to monitor and record the fuel consumption and the ratio of water to fuel being fired in the turbines shall be calibrated, maintained and operated in accordance with 40 CFR Part 60, Subpart GG.	40 CFR \$60.334 (NSPS, Subpart GG)
<u>Re</u>	cordkeeping and Reporting Requirements	
1.	Monthly and rolling 12-month totals of the fuel usage and hours of operation for each turbine shall be kept in a form suitable for inspection for a period of at least five years following said recording.	Rule 335-3-1404 (Anti-PSD)
2.	Records documenting that the sulfur content of the	Rule 335-3-1002(33)
	natural gas burned in these sources shall be maintained in accordance with 40 CFR §60.334.	40 CFR §60.334 (NSPS, Subpart GG)
3.	An emission report as defined by 40 CFR 60.7(c) and 60.334(j) shall be submitted to the Department within 30	Rule 335-3-1002(33)
	days of the end of the calendar quarter. Excess emissions shall be reported for all periods of unit operation, including startup, shutdown, and malfunction.	40 CFR §60.334 (NSPS, Subpart GG)
4.	The facility shall comply with the recordkeeping and reporting requirements of Rules 335-3-812, "Monitoring and Reporting".	Rules 335-3-812
Ac	id Rain Requirements	
1.	These units are subject to the Acid Rain rules contained Rule 335-3-18 and 40 CFR Parts 72, 73 and 75. Applicable Acid Rain permits are contained in the Acid Rain portion of this Operating Permit.	Rule 335-3-18 & 40 CFR Parts 72, 73 and 75

CAIR Requirements

1. These units are subject to the Clean Air Interstate Rule (CAIR) and shall comply with all applicable provisions of Rules 335-3-5-.06 through 335-3-5-.14 and Rules 335-3-8-.16 through 335-3-8-.33. Applicable CAIR permits are contained in the CAIR portion of this Operating Permit.

Rules 335-3-5-.06 through 335-3-5-.14 and Rules 335-3-8-.16 through 335-3-8-.33



Alabama Municipal Electric Authority – Sylacauga Plant Compliance Assurance Monitoring Plan Units A and B Water Injection for NOx Emission Control

Submittal	Monitoring	Monitoring Design Requirement	Monitoring Approach
Reference	Design Criteria Reference	-	
64.4 (a)(1)	64.3 (a)(1)	Indicator of Emission Control Performance	Water to fuel ratio
64.4 (a)(2)	64.3 (a)(2)	Designated Indicator Condition that provides reasonable assurance of ongoing compliance	Maintaining the average hourly water to fuel ratio greater than or equal to the water to fuel ratio established by the manufacturer is the designated indicator condition that provides reasonable assurance of ongoing compliance with the NOx emission limitation. An excursion is defined as any unit operating hour for which the average water to fuel ratio, as measured by the continuous monitoring system, falls below the manufacturer's established water to fuel ratio or any unit operating hour in which no water is injected into the turbine.
64.4 (a)(3)	64.3 (b)	Performance Criteria: (1) Obtain Representative Data (2) Verify Operational Status (3) Establish QA/QC Practices (4) Set Frequency of Data Collection and the Exceedance Averaging Period	(1) The water flow meter is placed so the liquid flow passes by the rotor. The natural gas flow meter is placed so the gas flow passes the vortex generating element. Both gauges will have an accuracy of ± 5%. (2) NA (3) The water flow meter will be calibrated annually. The natural gas fuel flow meter will be tested for accuracy at least once every 4 fuel flow meter QA operating quarters. (4) The water and fuel will be continuously monitored and recorded electronically every minute. The averaging period shall be an hourly block average.



Acid Rain Permit Application

For more information, see instructions and 40 CFR 72.30 and 72.31.

This submission is: \sim new \sim revised \sim for Acid Rain permit renewal

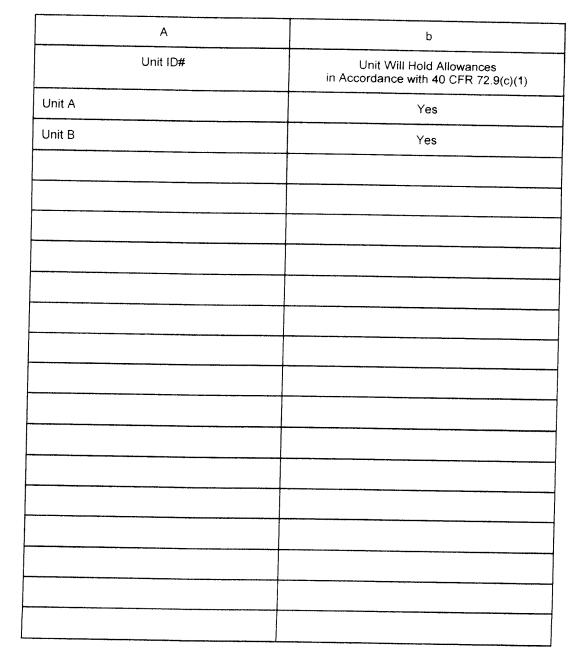
STEP 1

Identify the facility name, State, and plant (ORIS) code.

Alabama Municipal Electric Authority-			
Sylacauga 309-0057	State Alabama	Plant Code 56018	

STEP 2

Enter the unit ID# for every affected unit at the affected source in column "a."





Facility	(Source)	Name	(from	STEP 1	1

Permit Requirements

STEP 3

Read the standard requirements.

- (1) The designated representative of each affected source and each affected unit at the source shall:
 - (i) Submit a complete Acid Rain permit application (including a compliance plan) under 40 CFR part 72 in accordance with the deadlines specified in 40 CFR 72.30; and
 - (ii) Submit in a timely manner any supplemental information that the permitting authority determines is necessary in order to review an Acid Rain permit application and issue or deny an Acid Rain permit;
- (2) The owners and operators of each affected source and each affected unit at the source shall:
 - (i) Operate the unit in compliance with a complete Acid Rain permit application or a superseding Acid Rain permit issued by the permitting authority; and
 - (ii) Have an Acid Rain Permit.

Monitoring Requirements

- (1) The owners and operators and, to the extent applicable, designated representative of each affected source and each affected unit at the source shall comply with the monitoring requirements as provided in 40 CFR part 75.
- (2) The emissions measurements recorded and reported in accordance with 40 CFR part 75 shall be used to determine compliance by the source or unit, as appropriate, with the Acid Rain emissions limitations and emissions reduction requirements for sulfur dioxide and nitrogen oxides under the Acid Rain Program.
- (3) The requirements of 40 CFR part 75 shall not affect the responsibility of the owners and operators to monitor emissions of other pollutants or other emissions characteristics at the unit under other applicable requirements of the Act and other provisions of the operating permit for the source.

Sulfur Dioxide Requirements

- (1) The owners and operators of each source and each affected unit at the source shall:
 - (i) Hold allowances, as of the allowance transfer deadline, in the source's compliance account (after deductions under 40 CFR 73.34(c)), not less than the total annual emissions of sulfur dioxide for the previous calendar year from the affected units at the source; and
 - (ii) Comply with the applicable Acid Rain emissions limitations for sulfur dioxide.
- (2) Each ton of sulfur dioxide emitted in excess of the Acid Rain emissions limitations for sulfur dioxide shall constitute a separate violation of the Act.
- (3) An affected unit shall be subject to the requirements under paragraph (1) of the sulfur dioxide requirements as follows:
 - (i) Starting January 1, 2000, an affected unit under 40 CFR 72.6(a)(2); or
 - (ii) Starting on the later of January 1, 2000 or the deadline for monitor certification under 40 CFR part 75, an affected unit under 40 CFR 72.6(a)(3).

Facility	(Source)	Name	(from	STEP	1)

Sulfur Dioxide Requirements, Cont'd.

STEP 3, Cont'd.

(4) Allowances shall be held in, deducted from, or transferred among Allowance Tracking System accounts in accordance with the Acid Rain Program.

(5) An allowance shall not be deducted in order to comply with the requirements under paragraph (1) of the sulfur dioxide requirements prior to

the calendar year for which the allowance was allocated.

(6) An allowance allocated by the Administrator under the Acid Rain Program is a limited authorization to emit sulfur dioxide in accordance with the Acid Rain Program. No provision of the Acid Rain Program, the Acid Rain permit application, the Acid Rain permit, or an exemption under 40 CFR 72.7 or 72.8 and no provision of law shall be construed to limit the authority of the United States to terminate or limit such authorization.

(7) An allowance allocated by the Administrator under the Acid Rain Program

does not constitute a property right.

Nitrogen Oxides Requirements

The owners and operators of the source and each affected unit at the source shall comply with the applicable Acid Rain emissions limitation for nitrogen oxides.

Excess Emissions Requirements

- (1) The designated representative of an affected source that has excess emissions in any calendar year shall submit a proposed offset plan, as required under 40 CFR part 77.
- (2) The owners and operators of an affected source that has excess emissions in any calendar year shall:
 - (i) Pay without demand the penalty required, and pay upon demand the interest on that penalty, as required by 40 CFR part 77, and
 - (ii) Comply with the terms of an approved offset plan, as required by 40 CFR part 77.

Recordkeeping and Reporting Requirements

- (1) Unless otherwise provided, the owners and operators of the source and each affected unit at the source shall keep on site at the source each of the following documents for a period of 5 years from the date the document is created. This period may be extended for cause, at any time prior to the end of 5 years, in writing by the Administrator or permitting authority:
 - (i) The certificate of representation for the designated representative for the source and each affected unit at the source and all documents that demonstrate the truth of the statements in the certificate of representation, in accordance with 40 CFR 72.24, provided that the certificate and documents shall be retained on site at the source beyond such 5-year period until such documents are superseded because of the submission of a new certificate of representation changing the designated representative;

Facility	(Source)	Name	(from	STEP	1)
	1 7	rtuillo	(11011)	OILE	

Recordkeeping and Reporting Requirements, Cont'd.

STEP 3, Cont'd.

- (ii) All emissions monitoring information, in accordance with 40 CFR part 75, provided that to the extent that 40 CFR part 75 provides for a 3-year period for recordkeeping, the 3-year period shall apply.
- (iii) Copies of all reports, compliance certifications, and other submissions and all records made or required under the Acid Rain Program; and,
- (iv) Copies of all documents used to complete an Acid Rain permit application and any other submission under the Acid Rain Program or to demonstrate compliance with the requirements of the Acid Rain Program.
- (2) The designated representative of an affected source and each affected unit at the source shall submit the reports and compliance certifications required under the Acid Rain Program, including those under 40 CFR part 72 subpart I and 40 CFR part 75.

Liability

- (1) Any person who knowingly violates any requirement or prohibition of the Acid Rain Program, a complete Acid Rain permit application, an Acid Rain permit, or an exemption under 40 CFR 72.7 or 72.8, including any requirement for the payment of any penalty owed to the United States, shall be subject to enforcement pursuant to section 113(c) of the Act.
- (2) Any person who knowingly makes a false, material statement in any record, submission, or report under the Acid Rain Program shall be subject to criminal enforcement pursuant to section 113(c) of the Act and 18 U.S.C. 1001.
- (3) No permit revision shall excuse any violation of the requirements of the Acid Rain Program that occurs prior to the date that the revision takes effect.
- (4) Each affected source and each affected unit shall meet the requirements of the Acid Rain Program.
- (5) Any provision of the Acid Rain Program that applies to an affected source (including a provision applicable to the designated representative of an affected source) shall also apply to the owners and operators of such source and of the affected units at the source.
- (6) Any provision of the Acid Rain Program that applies to an affected unit (including a provision applicable to the designated representative of an affected unit) shall also apply to the owners and operators of such unit.
- (7) Each violation of a provision of 40 CFR parts 72, 73, 74, 75, 76, 77, and 78 by an affected source or affected unit, or by an owner or operator or designated representative of such source or unit, shall be a separate violation of the Act.

Effect on Other Authorities

No provision of the Acid Rain Program, an Acid Rain permit application, an Acid Rain permit, or an exemption under 40 CFR 72.7 or 72.8 shall be construed as:

(1) Except as expressly provided in title IV of the Act, exempting or excluding the owners and operators and, to the extent applicable, the designated representative of an affected source or affected unit from compliance with any other provision of the Act, including the provisions of title I of the Act relating

Facility (Source)	Name	(from	STEP	1)

Effect on Other Authorities, Cont'd.

to applicable National Ambient Air Quality Standards or State Implementation Plans;

STEP 3, Cont'd.

- (2) Limiting the number of allowances a source can hold; *provided*, that the number of allowances held by the source shall not affect the source's obligation to comply with any other provisions of the Act;
- (3) Requiring a change of any kind in any State law regulating electric utility rates and charges, affecting any State law regarding such State regulation, or limiting such State regulation, including any prudence review requirements under such State law;
- (4) Modifying the Federal Power Act or affecting the authority of the Federal Energy Regulatory Commission under the Federal Power Act: or.
- (5) Interfering with or impairing any program for competitive bidding for power supply in a State in which such program is established.

Certification

STEP 4
Read the certification statement, sign, and date.

I am authorized to make this submission on behalf of the owners and operators of the affected source or affected units for which the submission is made. I certify under penalty of law that I have personally examined, and am familiar with, the statements and information submitted in this document and all its attachments. Based on my inquiry of those individuals with primary responsibility for obtaining the information, I certify that the statements and information are to the best of my knowledge and belief true, accurate, and complete. I am aware that there are significant penalties for submitting false statements and information or omitting required statements and information, including the possibility of fine or imprisonment.

Name Timothy in Foster	
Signature De John Tolo	Date /2-/0-20/0

Phase II Acid Rain Permit

Issued by: Alabama Department of Environmental Management

Issued to: Alabama Municipal Electric Authority - Sylacauga

Operated by: Alabama Municipal Electric Authority

ORIS Code: 56018

Effective: Draft through Draft

Acid Rain Permit Contents

1) Statement of Basis

- 2) SO₂ allowances allocated under this permit and NO_x requirements for each affected unit.
- 3) Comments, notes and justifications regarding permit decisions and changes made to the permit application forms during the review process and any additional requirements or conditions.
- 4) The Phase II Permit Application submitted for this source, as corrected by the Alabama Department of Environmental Management. The owners and operators of the source must comply with the standard requirements and special provisions set forth in the Phase II Permit Application.
- 5) Summary of Previous Actions and Current Action.

1) Statement of Basis:

Statutory and Regulatory Authorities: In accordance with the Code of Alabama 1975, §§ 22-22A-4, 22-22A-6, 22-22A-8, 22-28-14, and Titles IV and V of the Clean Air Act, the Alabama Department of Environmental Management issues this permit pursuant to ADEM Admin. Codes 335-3-16 and 335-3-18.

2) SO₂ Allowance Allocations and NO_x Requirements for each affected unit:

		2011	2012	2013	2014	2015
Unit #1	SO ₂ allowances, under 40 CFR part 73 [tons]	01	0,1	O1	01	O ₁
	NO _x limit [lb/MMBtu]	NA ²	NA ²	NA2	NA ²	NA ²
		2011	2012	2013	2014	2015
Unit #2	SO ₂ allowances, under 40 CFR part 73 [tons]	01	01	01	01	O1
	NO _x limit [lb/MMBtu]	NA ²				

¹ Currently there are no SO₂ allowances allocated to these units by the U.S. EPA. The number of allowances allocated to Phase II affected units by U.S. EPA may change under 40 CFR Part 73. In addition, the number of allowances actually held by an affected source in a unit account may differ from the number allocated by U.S. EPA. Neither of the aforementioned conditions necessitate a revision to SO₂ allowance allocations identified in this permit [See 40 CFR 72.84].

^{2 40} CFR Part 76 does not establish NOx emission rates for Combined Cycle Combustion Turbines 1A through 3B.

- 3) Comments, Notes, and Justifications: None.
- 4) Phase II Permit Application: Attached.

Summary of Previous Actions and Current Action

Summary of Previous Actions and Current Action:						
	Action	Date				
1.	Draft permit prepared and submitted for public review and comment.	January 28, 2005				
2.	Permit finalized and issued.	March 21, 2005				
3.	Draft permit prepared and submitted for public review and comment.	Draft				
4.	Permit finalized and issued.	Draft				
	Ronald W. Gore, Chief Air Division	Date				



CAIR Permit Application

(for sources covered under a CAIR SIP)

For more information, please refer to ADEM Admin. Code chapters 335-3-5 and 335-3-8

STEP 1 Identify the source by plant name, State, and ORIS or facility code

This submission is: X New Revised		
Alabama Municipal Electric Authority-Sylacauga	AL	56018/309-0057
Plant Name	State	ORIS/Facility Code

STEP 2 Enter the unit ID# for each CAIR unit and indicate to which CAIR programs each unit is subject (by placing an "X" in the column)

Unit ID#	NO _x Annual	SO ₂	NO _X Ozone Season
Unit A	X	X	X
Unit B	X	X	X

STEP 3
Read the standard
requirements and the
certification, enter the
name of the CAIR
designated
representative, and
sign and date

Standard Requirements

(a) Permit Requirements.

- (1) The CAIR designated representative of each CAIR NO_X source, CAIR SO₂ source, and CAIR NO_X Ozone Season source (as applicable) required to have a title V operating permit or synthetic minor operating permit and each CAIR NO_X unit, CAIR SO₂ unit, and CAIR NO_X Ozone Season unit (as applicable) required to have a title V operating permit or synthetic minor operating permit at the source shall:
- (i) Submit to the Department a complete CAIR permit application under rules 335-3-5-.08, 335-3-8-13(3), and 335-3-8-.27(3) (as applicable); and
- (ii) Submit in a timely manner any supplemental information that the Department determines is necessary in order to review a CAIR permit application and issue or deny a CAIR permit.
- (2) The owners and operators of each CAIR NO_x source, CAIR SO_2 source, and CAIR NO_x Ozone Season source (as applicable) required to have a title V operating permit or synthetic minor operating permit and each CAIR NO_x unit, CAIR SO_2 unit, and CAIR NO_x Ozone Season unit (as applicable) required to have a title V operating permit or synthetic minor operating permit at the source shall have a CAIR permit issued by the Department under rules 335-3-5-08, 335-3-8-18, and 335-3-8-27 (as applicable) for the source and operate the source and the unit in compliance with such CAIR permit.

Alabama Municipal Electric Authority - Sylacauga Plant Name (from Step 1)

STEP 3, continued (b) Monitoring, reporting, and recordkeeping requirements.

(1) The owners and operators, and the CAIR designated representative, of each CAIR NO_x source, CAIR SO₂ source, and CAIR NO_X Ozone Season source (as applicable) and each CAIR NO_X unit, CAIR SO₂ unit, and CAIR NO_X Ozone Season unit (as applicable) at the source shall comply with the monitoring, reporting, and recordkeeping requirements of rules 335-3-5-.13, 335-3-8-.23, and 335-3-8-.32 (as applicable).

(2) The emissions measurements recorded and reported in accordance with rules 335-3-5-.13, 335-3-8-.23, and 335-3-8-.32 (as applicable) shall be used to determine compliance by each CAIR NO_x source, CAIR SO₂ source, and CAIR NO_x Ozone Season source (as applicable) with the CAIR NO_x emissions limitation, CAIR SO₂ emissions limitation, and CAIR NO_x Ozone Season emissions limitation (as applicable) under subparagraph (c) of rules 335-3-5-06(6), 335-3-8-.16(6), 335-3-8-.25(6) (as applicable).

(c) Nitrogen oxides emissions requirements.

- (1) As of the allowance transfer deadline for a control period, the owners and operators of each CAIR NO_x source and each CAIR NO_x unit at the source shall hold, in the source's compliance account, CAIR NO_x allowances available for compliance deductions for the control period under rule 335-3-8-.21(5)(a) in an amount not less than the tons of total nitrogen oxides emissions for the control period from all CAIR NO_x units at the source, as determined in accordance with rule 335-3-8-.23.
- (2) A CAIR NO_x unit shall be subject to the requirements under subparagraph (c)1. of rule 335-3-8-.16(6) for the control period starting on the later of January 1, 2009 or the deadline for meeting the unit's monitor certification requirements under rule 335-3-8-.23(1)(b)1., 2., or 5. and for each control period thereafter.
- (3) A CAIR NO_x allowance shall not be deducted, for compliance with the requirements under subparagraph (c)1. of 335-3-8- 16(6), for a control period in a calendar year before the year for which the CAIR NO_x allowance was allocated.
- (4) CAIR NO_x allowances shall be held in, deducted from, or transferred into or among CAIR NO_x Allowance Tracking System accounts in accordance with rules 335-3-8-.21, 335-3-8-.22, and 335-3-8-.24.
- (5) A CAIR NO_x allowance is a limited authorization to emit one ton of nitrogen oxides in accordance with the CAIR NO_x Annual Trading Program. No provision of the CAIR NO_x Annual Trading Program, the CAIR permit application, the CAIR permit, or an exemption under rule 335-3-8-16(5) and no provision of law shall be construed to limit the authority of the State or the United States to terminate or limit such authorization.
 - (6) A CAIR NO_X allowance does not constitute a property right.
- (7) Upon recordation by the Administrator under rule 335-3-8-.20, 335-3-8-.21, 335-3-8-.22, or 335-3-8-.24, every allocation, transfer, or deduction of a CAIR NO_x allowance to or from a CAIR NO_x source's compliance account is incorporated automatically in any CAIR permit of the source that includes the CAIR NO_x unit.

Sulfur dioxide emission requirements.

- (1) As of the allowance transfer deadline for a control period, the owners and operators of each CAIR SO₂ source and each CAIR SO₂ unit at the source shall hold, in the source's compliance account, a tonnage equivalent of CAIR SO₂ allowances available for compliance deductions for the control period under rule 335-3-5-.11(5)(a) and (b) not less than the tons of total sulfur dioxide emissions for the control period from all CAIR SO₂ units at the source, as determined in accordance with rule 335-3-5-13.
- (2) A CAIR SO₂ unit shall be subject to the requirements under subparagraph (c)1. of rule 335-3-5-.06(6) for the control period starting on the later of January 1, 2010 or the deadline for meeting the unit's monitor certification requirements under rule 335-3-5-.13(1)(b)1., 2., or 5. and for each control period thereafter.
- (3) A CAIR SO₂ allowance shall not be deducted, for compliance with the requirements under subparagraph (c)1. of rule 335-3-5-.06(6), for a control period in a calendar year before the year for which the CAIR SO₂ allowance was allocated
- (4) CAIR SO₂ allowances shall be held in, deducted from, or transferred into or among CAIR SO₂ Allowance Tracking System accounts in accordance with rules 335-3-5-.11, 335-3-5-.12, and 335-3-5-.14.
- (5) A CAIR SO₂ allowance is a limited authorization to emit sulfur dioxide in accordance with the CAIR SO₂ Trading Program. No provision of the CAIR SO₂ Trading Program, the CAIR permit application, the CAIR permit, or an exemption under rule 335-3-5-.06(5) and no provision of law shall be construed to limit the authority of the State or the United States to terminate or limit such authorization.
 - (6) A CAIR SO₂ allowance does not constitute a property right.
- (7) Upon recordation by the Administrator under rules 335-3-5-.11, 335-3-5-.12, and 335-3-5-.14, every allocation, transfer, or deduction of a CAIR SO₂ allowance to or from a CAIR SO₂ source's compliance account is incorporated automatically in any CAIR permit of the source that includes the CAIR SO₂ unit. Nitrogen oxides ozone season emissions requirements.
- (1) As of the allowance transfer deadline for a control period, the owners and operators of each CAIR NO_x Ozone Season source and each CAIR NO_x Ozone Season unit at the source shall hold, in the source's compliance account, CAIR NO_x Ozone Season allowances available for compliance deductions for the control period under rule 335-3-8-.30(5)(a) in an amount not less than the tons of total nitrogen oxides emissions for the control period from all CAIR NO_x Ozone Season units at the source, as determined in accordance with rule 335-3-8-.32.
- (2) A CAIR NO_X Ozone Season unit shall be subject to the requirements under subparagraph (c)1. of rule 335-3-8-.25(6) for the control period starting on the later of May 1, 2009 or the deadline for meeting the unit's monitor certification requirements under rule 335-3-8-.32(1)(b)1., 2., 3. or 7. and for each control period thereafter.
- (3) A CAIR NO_X Ozone Season allowance shall not be deducted, for compliance with the requirements under subparagraph (c)1. of rule 335-3-8-.25(6), for a control period in a calendar year before the year for which the CAIR NO_X Ozone Season allowance was allocated.
- (4) CAIR NO_X Ozone Season allowances shall be held in, deducted from, or transferred into or among CAIR NO_X Ozone Season Allowance Tracking System accounts in accordance with rules 335-3-8-30, 335-3-8-31, and 335-3-8-33
- (5) A CAIR NO_x allowance is a limited authorization to emit one ton of nitrogen oxides in accordance with the CAIR NO_x Ozone Season Trading Program. No provision of the CAIR NO_X Ozone Season Trading Program, the CAIR permit application, the CAIR permit, or an exemption under rule 335-3-8-.25(5) and no provision of law shall be construed to limit the authority of the State or the United States to terminate or limit such authorization.
 - (6) A CAIR NO_x allowance does not constitute a property right.
- (7) Upon recordation by the Administrator under rule 335-3-8-.29. 335-3-8-.30, 335-3-8-.31, or 335-3-8-.33, every allocation, transfer, or deduction of a CAIR NO_x Ozone Season allowance to or from a CAIR NO_x Ozone Season source's compliance account is incorporated automatically in any CAIR permit of the source.

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STEP 3, continued

(d) Excess emissions requirements.

- If a CAIR NO_x source emits nitrogen oxides during any control period in excess of the CAIR NO_x emissions limitation, then:
- (1) The owners and operators of the source and each CAIR NO_X unit at the source shall surrender the CAIR NO_X allowances required for deduction under 335-3-8-.21(5)(d)1. and pay any fine, penalty, or assessment or comply with any other remedy imposed, for the same violations, under the Clean Air Act or applicable State law; and
- (2) Each ton of such excess emissions and each day of such control period shall constitute a separate violation of this subpart, the Clean Air Act, and applicable State law.

If a CAIR SO₂ source emits sulfur dioxide during any control period in excess of the CAIR SO₂ emissions limitation, then:
(1) The owners and operators of the source and each CAIR SO₂ unit at the source shall surrender the CAIR SO₂

allowances required for deduction under rule 335-3-5-.11(5)(d)1. and pay any fine, penalty, or assessment or comply with any other remedy imposed, for the same violations, under the Clean Air Act or applicable State law; and

(2) Each ton of such excess emissions and each day of such control period shall constitute a separate violation of this subpart, the Clean Air Act, and applicable State law.

If a CAIR NO_x Ozone Season source emits nitrogen oxides during any control period in excess of the CAIR NO_x Ozone Season emissions limitation, then:

- (1) The owners and operators of the source and each CAIR NO_x Ozone Season unit at the source shall surrender the CAIR NO_x Ozone Season allowances required for deduction under rule 335-3-8-.30(5)(d)1. and pay any fine, penalty, or assessment or comply with any other remedy imposed, for the same violations, under the Clean Air Act or applicable State law; and
- (2) Each ton of such excess emissions and each day of such control period shall constitute a separate violation of this subpart, the Clean Air Act, and applicable State law.

(e) Recordkeeping and Reporting Requirements.

- (1) Unless otherwise provided, the owners and operators of the CAIR NO_X source, CAIR SO_2 source, and CAIR NO_X Ozone Season source (as applicable) and each CAIR NO_X unit, CAIR SO_2 unit, and CAIR NO_X Ozone Season unit (as applicable) at the source shall keep on site at the source each of the following documents for a period of 5 years from the date the document is created. This period may be extended for cause, at any time before the end of 5 years, in writing by the permitting authority or the Administrator.
- (i) The certificate of representation under rules 335-3-5-.07(4), 335-3-8-.17(4) and 335-3-8-.26(4) (as applicable) for the CAIR designated representative for the source and each CAIR NO_X unit, CAIR SO_2 unit, and CAIR NO_X Ozone Season unit (as applicable) at the source and all documents that demonstrate the truth of the statements in the certificate of representation; provided that the certificate and documents shall be retained on site at the source beyond such 5-year period until such documents are superseded because of the submission of a new certificate of representation under rules 335-3-5-.07(4), 335-3-8-.17(4) and 335-3-8-.26(4) (as applicable) changing the CAIR designated representative.
- (ii) All emissions monitoring information, in accordance with rules 335-3-5-.13, 335-3-8-.23, and 335-3-8-.32 (as applicable), provided that to the extent that rules 335-3-5-.13, 335-3-8-.23, and 335-3-8-.32 (as applicable) provides for a 3-year period for recordkeeping, the 3-year period shall apply.
- (iii) Copies of all reports, compliance certifications, and other submissions and all records made or required under the CAIR NO_x Annual Trading Program, CAIR SO₂ Trading Program, and CAIR NO_x Ozone Season Trading Program (as applicable).
- (iv) Copies of all documents used to complete a CAIR permit application and any other submission under the CAIR NO_X Annual Trading Program, CAIR SO_2 Trading Program, and CAIR NO_X Ozone Season Trading Program (as applicable) or to demonstrate compliance with the requirements of the CAIR NO_X Annual Trading Program, CAIR SO_2 Trading Program, and CAIR NO_X Ozone Season Trading Program (as applicable).
- (2) The CAIR designated representative of a CAIR NO_X source, CAIR SO_2 source, and CAIR NO_X Ozone Season source (as applicable) and each CAIR NO_X unit, CAIR SO_2 unit, and CAIR NO_X Ozone Season unit (as applicable) at the source shall submit the reports required under the CAIR NO_X Annual Trading Program, CAIR SO_2 Trading Program, and CAIR NO_X Ozone Season Trading Program (as applicable) including those under rules 335-3-5-.13, 335-3-8-.23, and 335-3-8-.32 (as applicable).

(f) Liability.

- (1) Each CAIR NO_x source, CAIR SO₂ source, and CAIR NO_x Ozone Season source (as applicable) and each NO_x unit, CAIR SO₂ unit, and CAIR NO_x Ozone Season unit (as applicable) shall meet the requirements of the CAIR NO_x Annual Trading Program, CAIR SO₂ Trading Program, and CAIR NO_x Ozone Season Trading Program (as applicable).
- (2) Any provision of the CAIR NO $_{\rm X}$ Annual Trading Program, CAIR SO $_{\rm 2}$ Trading Program, and CAIR NO $_{\rm X}$ Ozone Season Trading Program (as applicable) that applies to a CAIR NO $_{\rm X}$ source, CAIR SO $_{\rm 2}$ source, and CAIR NO $_{\rm X}$ Ozone Season source (as applicable) or the CAIR designated representative of a CAIR NO $_{\rm X}$ source, CAIR SO $_{\rm 2}$ source, and CAIR NO $_{\rm X}$ Ozone Season source (as applicable) shall also apply to the owners and operators of such source and of the CAIR NO $_{\rm X}$ units, CAIR SO $_{\rm 2}$ units, and CAIR NO $_{\rm X}$ Ozone Season units (as applicable) at the source.
- (3) Any provision of the CAIR NO_x Annual Trading Program, CAIR SO_2 Trading Program, and CAIR NO_x Ozone Season Trading Program (as applicable) that applies to a CAIR NO_x unit, CAIR SO_2 unit, and CAIR NO_x Ozone Season unit (as applicable) or the CAIR designated representative of a CAIR NO_x unit, CAIR SO_2 unit, and CAIR NO_x Ozone Season unit (as applicable) shall also apply to the owners and operators of such unit.

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(g) Effect on Other Authorities.

No provision of the CAIR NO_X Annual Trading Program, CAIR SO_2 Trading Program, and CAIR NO_X Ozone Season Trading Program (as applicable), a CAIR permit application, a CAIR permit, or an exemption under rules 335-3-5-.06(5), 335-3-8-.16(5), and 335-3-8-.25(5) (as applicable) shall be construed as exempting or excluding the owners and operators, and the CAIR designated representative, of a CAIR NO_X source, CAIR SO_2 source, and CAIR NO_X Ozone Season source (as applicable) or CAIR NO_X unit, CAIR SO_2 unit, and CAIR NO_X Ozone Season unit (as applicable) from compliance with any other provision of the applicable, approved State implementation plan, a federally enforceable permit, or the Clean Air Act.

Certification

I am authorized to make this submission on behalf of the owners and operators of the source or units for which the submission is made. I certify under penalty of law that I have personally examined, and am familiar with, the statements and information submitted in this document and all its attachments. Based on my inquiry of those individuals with primary responsibility for obtaining the information, I certify that the statements and information are to the best of my knowledge and belief true, accurate, and complete. I am aware that there are significant penalties for submitting false statements and information or omitting required statements and information, including the possibility of fine or imprisonment.

Signature Date 6-26-2007

CAIR NO_x Annual Trading Program Permit

Issued by: Alabama Department of Environmental Management

Issued to: Alabama Municipal Electric Authority - Sylacauga

Operated by: Alabama Municipal Electric Authority

ORIS Code: 56018

Effective: DRAFT through DRAFT

1. This permit automatically incorporates the definition of terms under ADEM Admin. Code r. 335-3-8-.16(2).

- 2. This permit records automatically, upon recordation by the EPA Administrator in accordance with ADEM Admin. Code r. 335-3-8-.21, 335-3-8-.22, and 335-3-8-.24 every allocation, transfer, or deduction of a CAIR NO_X allowance to or from the compliance accounts of the CAIR NO_X Units covered by the permit or the overdraft account of the CAIR NO_X Source covered by the permit.
- 3. This permit incorporates the attached CAIR NO_x Permit application. The owners or operators of the source must comply with the standard requirements and special provisions set forth in the application.
- 4. This permit incorporates the following comments, notes and justifications regarding permit decisions and changes made to the permit application forms during the review process: NONE
- 5. Summary of Previous Actions and Current Action:

Action		Date
Draft permit prepared and submitted f public review and comment.	or	XXXX
Permit finalized and issued.		XXXX
Ronald W. Gore, Chief Air Division	Date	

CAIR NO_x Ozone Season Trading Program Permit

Issued by: Alabama Department of Environmental Management

Issued to: Alabama Municipal Electric Authority - Sylacauga

Operated by: Alabama Municipal Electric Authority

ORIS Code: 56018

Effective: DRAFT through DRAFT

- 1. This permit automatically incorporates the definition of terms under ADEM Admin. Code r. 335-3-8-.25(2).
- 2. This permit records automatically, upon recordation by the EPA Administrator in accordance with ADEM Admin. Code r. 335-3-8-.30, 335-3-8-.31, and 335-3-8-.33 every allocation, transfer, or deduction of a CAIR NO_X Ozone Season allowance to or from the compliance accounts of the CAIR NO_X Ozone Season Units covered by the permit or the overdraft account of the CAIR NO_X Ozone Season Source covered by the permit.
- 3. This permit incorporates the attached CAIR NO_x Ozone Season Permit application. The owners or operators of the source must comply with the standard requirements and special provisions set forth in the application.
- 4. This permit incorporates the following comments, notes and justifications regarding permit decisions and changes made to the permit application forms during the review process: NONE
- 5. Summary of Previous Actions and Current Action:

Action		Date
Draft permit prepared and submitted for public review and comment.	or	XXXX
Permit finalized and issued.		XXXX
Ronald W. Gore, Chief Air Division	Date	